

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 816 - SB 767**

March 24, 2015

**SUMMARY OF BILL:** Authorizes municipalities by general or special act to contract its limits within a territory by ordinance provided that the municipality (1) receives a petition with 75 percent of registered voters in the area supporting deannexation, (2) holds no outstanding debt as a result of the annexation of the territory, (3) provides no services within the area to be deannexed in addition to the services previously received by the residents prior to the annexation of the territory, and (4) a referendum is held at the next general election in which a majority of the voters residing in the area that the city proposes to deannex vote for deannexation.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- This bill does not apply to state government; it only applies to local government.
- The election for deannexation is held during the next general election cycle; therefore, no significant additional costs for holding the referendum.
- Given a referendum is required, any local action will be permissive.
- Based on information from the County Technical Assistance Service (CTAS) and the Municipal Technical Advisory Service (MTAS), the fiscal permissive impact of this bill to local government is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "Jeffrey L. Spalding".

Jeffrey L. Spalding, Executive Director

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